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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

H 0K-2246

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter ended
March 31, 1992

Commission File Number 33-27974-A

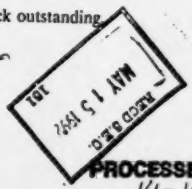
MagneTech Corporation
(Exact name of Registrant as specified in its Charter)

DELAWARE (State of incorporation)	65-0014636 (I.R.S. Employer Identification No.)
3941 SW 47TH AVENUE FT. LAUDERDALE, FLORIDA (Address of principal executive offices)	33314 (Zip code)
Registrant's telephone number	(305)791-6711

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 month (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO _

As of March 31, 1992 there were 29,863,785 shares of common stock outstanding.



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MAGNETECH CORPORATION

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FORM 10-Q

MAGNETECH CORPORATION
BALANCE SHEETS

Item 1. Financial Statements

ASSETS	March 31, 1992 UNAUDITED	June 30, 1991 AUDITED
CURRENT ASSETS		
Cash and Cash Equivalents	$ 541,177	$ 858,649
Note Receivable, Trade, Note 5	55,000	75,000
Accounts Receivable, Net of allowance for doubtful accounts	556,766	552,709
Inventories, Note 1	904,254	1,083,677
Loans Receivable, Officers, Note 4	19,017	33,849
Prepaid Expenses	44,910	18,766
Prepaid Income Taxes	-0	9,000
TOTAL CURRENT ASSETS	2,121,124	2,631,650
PROPERTY, PLANT AND EQUIPMENT, Note 2	1,685,217	1,355,248
DUE FROM S.O.I. INDUSTRIES, INC.	119,013	-0
OTHER ASSETS - Deposits	5,737	5,737
TOTAL ASSETS	$3,931,091	$3,992,635

See notes to financial statements.

FORM 10-Q
MAGNETECH CORPORATION
BALANCE SHEETS

	March 31, 1992 UNAUDITED	June 30, 1991 AUDITED
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade Accounts Payable	$ 94,469	$202,074
Accrued Liabilities	6,841	11,106
Federal and State Income Taxes Payable	76,403	-0
TOTAL CURRENT LIABILITIES	177,713	213,180
DUE TO S.O.I. INDUSTRIES, INC.	-0	429,736
DEFERRED INCOME TAXES PAYABLE, Note 1	87,000	87,000
STOCKHOLDERS' EQUITY		
80,000,000 shares of Common Stock, $.000025 par value per share authorized; issued March 31, 1992 - 29,863,785 issued June 30, 1991 - 30,139,996	747	754
Additional paid-in capital	2,769,927	2,612,588
Retained earnings	895,704	649,377
TOTAL STOCKHOLDERS' EQUITY	3,666,378	3,262,719
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$3,931,091	$3,992,635

See notes to financial statements.

FORM 10-Q
MAGNETECH CORPORATION
STATEMENTS OF INCOME
(UNAUDITED)

	Nine Months Ended March 31,	
	1992	1991
SALES, Net	$3,732,395	$ 2,462,450
COST OF GOODS SOLD (exclusive of items shown separately below)	2,628,975	1,743,628
GROSS PROFIT	1,103,420	718,822
SELLING EXPENSES	208,910	159,495
GENERAL AND ADMINISTRATIVE EXPENSES (exclusive of depreciation and amortization shown separately below)	298,684	152,866
DEPRECIATION AND AMORTIZATION	225,000	157,500
OPERATING PROFIT	370,826	248,961
OTHER INCOME	22,040	30,725
INCOME BEFORE PROVISION FOR INCOME TAXES	392,866	279,686
PROVISION FOR INCOME TAXES	146,539	102,000
NET INCOME	$ 246,327	$ 177,686
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING	30,011,166	29,234,653
EARNINGS PER SHARE	$ .01	$ .01

See notes to financial statements.

FORM 10-Q
MAGNETECH CORPORATION
STATEMENTS OF INCOME
(UNAUDITED)

	Three Months Ended March 31,	
	1992	1991
SALES, Net	$ 1,308,359	$ 971,242
COST OF GOODS SOLD (exclusive of items shown separately below)	875,867	732,003
GROSS PROFIT	432,492	239,239
SELLING EXPENSES	71,403	62,521
GENERAL AND ADMINISTRATIVE EXPENSES (exclusive of depreciation and amortization shown separately below)	138,104	67,236
DEPRECIATION AND AMORTIZATION	75,000	52,500
OPERATING PROFIT	147,985	56,982
OTHER INCOME	2,658	7,106
INCOME BEFORE PROVISION FOR INCOME TAXES	150,643	64,088
PROVISION FOR INCOME TAXES	56,539	20,000
NET INCOME	$ 94,104	$ 44,088
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING	30,011,166	29,234,653
EARNINGS PER SHARE	$ .00	$ .00

See notes to financial statements.

FORM 10-Q
MAGNETECH CORPORATION
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended March 31, 1992		Nine Months Ended March 31, 1991	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Income		$ 246,327		$ 177,686
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities				
Depreciation and Amortization	$ 225,000		$ 157,500	
Change in Marketable Securities	-0		33,045	
Change in Accounts Receivable	(4,057)		(352,791)	
Change in Inventories	179,423		85,819	
Change in Prepaid Expenses	(26,144)		(11,290)	
Change in Loans Receivable, Officer	14,832		(5,909)	
Change in Note Receivable	20,000		-0	
Change in Accounts Payable	(107,605)		224,864	
Change in Accrued Liabilities	(4,265)		2,773	
Change in Income Taxes Payable and Deferred Taxes	85,403		(43,562)	
Total Adjustments		382,587		90,449
Net Cash Provided (Used) in Operating Activities		628,914		268,135
CASH FLOWS FROM INVESTING ACTIVITIES				
Expenditures for Acquisition of Property, Plant and Equipment	(554,969)		(203,042)	
Change in Other Assets	-0		(1,650)	
Total from Investing Activities		(554,969)		(204,692)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of Due To/From Parent Company	(548,749)		(283,175)	
Proceeds from Issuance of Common Stock	157,332		335,199	
Total from Financing Activities		(391,417)		52,024
INCREASE (DECREASE) IN CASH		(317,472)		115,467
Cash at Beginning of Period		858,649		675,641
Cash at End of Period		$ 541,177		$ 791,108

Note - "Cash refers to cash and cash equivalents.
See notes to financial statements.

MAGNETECH CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. History of Company – The Company was incorporated on November 12, 1987, under the laws of the State of Delaware, as a wholly-owned subsidiary of S.O.I. Industries, Inc., (the "Parent Company") and was authorized to issue 10,000 shares of $.01 par voting common stock On January 30, 1989 the Parent Company of the Company effected the reorganization of the Company which had the effect of creating a class of $.0001 par value common stock, of which 20,000,000 shares are authorized, and to account for a 4,800-for-1 stock split which converted the company's 1,000 issued and outstanding shares of $.01 par value Common Stock into 4,800,000 shares of $.0001 par value Common Stock.

On May 12, 1989, the Company conducted an initial public offering of 2,300,000 of its authorized but unissued shares. The securities offered were Units, consisting of one share of Common Stock, par value $.0001 (the "Shares") and one Redeemable Warrant. The Warrants are exercisable by the holder thereof to purchase one Share per Warrant at an exercisable price of $0.30 per share(after the four-for-one stock split set forth below). The net proceeds from the offering, after the payment of expenses, was $1,986,188.

On February 15, 1990, the Board of Directors of the Company authorized a four-for-one stock split and a change in the par value of the Shares from $.0001 to $.000025, thereby increasing the authorized shares of common stock to 80,000,000.

b. Inventories -- The inventories are valued at the lower of cost (first-in, first-out method) or market. Inventories consisted of the following:

	March 31, 1992	June 30, 1991
Raw materials	$ 723,403	$ 989,597
Work-in process	113,032	80,328
Finished goods	67,819	13,752
	$ 904,254	$ 1,083,677

c. Basis of Presentation -- In the opinion of management, the accompanying unaudited financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to conform with generally accepted accounting principles. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

d. Income taxes -- Deferred income taxes result from timing differences in the recognition of revenues and expenses for tax and financial statement purposes. The major component of this difference is depreciation.

The Financial Accounting Standards Board has issued Statement of Financial Accounting Standards No. 96 "Accounting for Income Taxes." FASB No. 96 provides that deferred income taxes be recorded using the liability method and restricts the conditions under which a deferred asset may be recorded. The Company did not adopt this standard for fiscal year ending June 30, 1991 and, accordingly, has not determined the impact of the standard on its financial statements.

The provision for income taxes per the Statements of Income is the normal Federal rate of 34% plus the after tax rate of the State income taxes.

e. Cash Equivalents -- For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less and certificates of deposit, regardless of maturity date, to be cash equivalents.

NOTE 2. PROPERTY PLANT AND EQUIPMENT

Property and equipment are recorded at cost. The Company depreciates its property, plant and equipment on a straight-line basis over the estimated useful lives of the related assets, which ranges from 3-7 years, for financial reporting purposes. Property and accumulated depreciation are summarized as follows:

	March 31, 1992	June 30, 1991
PROPERTY		
Land	$ 73,000	$ -0
PLANT		
Buildings	325,000	-0
Leasehold Improvements	121,757	117,826
Total Plant	446,757	117,826
EQUIPMENT		
Machinery and equipment	1,844,954	1,704,353
Furniture and fixtures	34,481	30,170
Transportation equipment	12,800	12,800
Computer equipment	30,445	22,319
Total Equipment	1,922,680	1,769,642
TOTAL PROPERTY PLANT AND EQUIPMENT	2,442,437	1,887,468
ACCUMULATED DEPRECIATION AND AMORTIZATION	757,220	532,220
	$1,685,217	$1,355,248

Maintenance and repairs are charged against income as incurred. Other renewals and betterment are capitalized.

MAGNETECH CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 3. RELATED PARTY TRANSACTIONS

In connection with the public offering, the Company entered into a Transition Agreement with S.O.I. Industries, Inc. (S.O.I.) for a ten year period commencing on May 12, 1989 (the "Closing Date") during which S.O.I. is required to furnish to the Company certain financial, accounting, data processing, management, and other administrative services for which S.O.I. receives a monthly fee. On January 1, 1992, by mutual agreement, the monthly fee was increased to $12,500.

Subject to certain exceptions, the Transition Agreement provides for assumptions and indemnities designed to place financial responsibility for the liability of the Company's business with the Company.

The Transition Agreement provides that, as long as S.O.I. owns either (i) 25% of the Company's Shares provided no other shareholder owns more than 40% of the outstanding shares or (ii) at least a majority of the Company's Shares, the Company will be required to obtain S.O.I.'s approval, in accordance with certain corporate approval procedures established by S.O.I. for certain transactions.

NOTE 4. LOANS RECEIVABLE, OFFICERS

During the quarter ended March 31, 1992, loans aggregating in the amount of $33,849, due to the Company from two of its officers, were reduced to $19,017 by the offset of bonuses paid to such officers. The loans are evidenced by promissory notes bearing interest at 10% per annum and are due on demand.

NOTE 5. NOTE RECEIVABLE, TRADE

A note receivable in the amount of $55,000 is due to the Company. The note calls for fifteen weekly installments of $5,000 plus interest at 10% per annum, calculated monthly. The first installment was paid July 1, 1991. The note is currently in default. There is a personal guarantee of the promissory note and negotiations to secure payment of this receivable are ongoing.

NOTE 6. COMMITMENTS, CONTINGENCIES AND OTHER MATTERS

a. On January 17, 1991, the Company obtained a line of credit for $750,000 and executed a promissory note therefore. The Company also cross guaranteed a similar $750,000 line of credit for S.O.I. Industries, Inc. and Tempo Lighting, Inc. As of March 31, 1992, no funds available in the lines of credit for any of the companies have been drawn upon. The lines of credit are collateralized by the intangible and tangible assets of the Company, S.O.I. Industries and its other subsidiaries and similarly cross guaranteed. In addition, Mr. Donald E. Courtney has personally guaranteed the line. of credit.

b. During the year ended June 30, 1991, S.O.I. Industries, the Company's parent, established an employees' stock ownership plan. Mr. Courtney, President of S.O.I. Industries, Inc. and the Company along with the other subsidiaries of the Parent Company have guaranteed the debt. The Company along with the other subsidiaries of the Parent Company have pledged substantially all their assets as collateral for the above obligation. On January 1, 1992, employees of the company became elegible to participate in the ESOP of the Parent Company. The Company's contribution to the ESOP will be its pro rata share based on compensation paid by the Parent Company and its subsidiaries to their employees.

c. As part of the underwriting agreement for MagneTech's public offering, S.O.I. agreed to escrow 3,200,000 shares of common stock of MagneTech (the "Shares") for a period of three years issued to S.O.I. based on the attainment by MagneTech of certain financial objectives. Such number of escrowed Shares not delivered to S.O.I. would be delivered to MagneTech as a contribution to its capital. Accordingly, 800,651 Shares were delivered from escrow to MagneTech Corporation as an additional capital contribution by S.O.I.

MAGNETECH CORPORATION

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Net revenues for the first nine months increased by $1,269,945, or 51.6%, to $3,732,395, compared to an increase of $792,492, or 47.5%, and $2,462,450 for the same period in 1991.

Net income for the first nine months increased $68,641, or 38.6%, to $246,327, compared to a decrease in net income of $12,343, or (6.5)%, and $177,686, for the same period in 1991.

The increase in sales and net income is a direct result of the Company's continuing commitment to expand and strengthen its customer base.

Financial Condition of the Company

The Company continues to maintain a strong financial condition, with adequate cash reserves and sales revenues sufficient to meet all current operating expenses.

Liquidity and Capital Resources

The Company maintains substantial cash reserves and at March 31, 1992 had a strong current ratio of approximately 12 to 1. The company relies on cash flow from operations to meet its working capital requirements. The Company expects that its current cash together with cash flow from operations and its ability to selectively finance major capital expenditures will be sufficient to meet the Company's cash requirements for inventories, receivables, and capital expenditures.

At March 31, 1992, the Company had uncommitted cash reserves of $541,177. In addition, long-term financing of the new warehouse was being negotiated.

The Company does not know of any unusual events, trends or other effects of inflation on operations of the Company.

Results of Operations

Net Sales increased by 51.6% to $3,732,395, an increase of $1,269,945 over the corresponding period in 1991. The increase is attributable to the active growth and quality expansion of the Company's customer base.

Cost of Goods Sold, at $2,628,975, decreased as a percent of sales to 70.4%, compared to 70.8%, for the same period last year, and increased in dollar amount by $885,347 compared to $1,743,628 for the corresponding period last year. The increase in dollar cost and the decrease in percent of sales is due primarily to the increased sales volume.

Selling and General And Administrative expenses, at $507,594, increased as a percent of sales to 13.6% compared to 12.7%, for the same period, and increased in dollar amount by $195,233 to $507,594 compared to $312,361 for the corresponding period. Selling expenses increased due to higher sales salaries and commissions and General And Administrative expenses were impacted by increased bad debt provisions; higher professional fees and stock maintenance costs; ESOP contributions and higher management fees.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (Cont.)

In general, the higher sales and administrative expenses were absorbed by the more advantageous utilization of increased volume.

Comparison of Quarter Ended March 31, 1992 to Quarter Ended March 31, 1991.

Net Sales increased by 34.7% to $1,308,359, an increase of $337,117 over the corresponding period in 1991. Cost of Goods Sold decreased as a percent of sales to 66.9%, compared to 75.4% last year, due to lower material costs offset by increases in repairs and maintenance, wages, and factory overhead, in general.

Selling and General And Administrative expenses increased $79,750 from $129,757 to $209,507 due to increased sales commissions, salaries, bad debt provisions, professional fees, stock maintenance costs, ESOP contributions and management fees.

Net income increased $50,016, to $94,104, or 7.2% of sales, compared to $44,088, or 4.5% of sales, for the same period in 1991. In general, the substantially higher sales volume, complemented with lower material costs, was more than able to absorb the smaller increases in selling and administrative expenses.

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PART II
OTHER INFORMATION

ITEM 1. Legal Proceedings

Not applicable

ITEM 2. Changes in Securities

Not applicable

ITEM 3. Defaults Upon Senior Securities

Not applicable

ITEM 4. Submission of Matters to a Vote of Security Holders

Not applicable

ITEM 5. Other Information

The Board of Director for MagneTech Corporation as of the annual meeting of shareholders dated October 28, 1991 consist of the following individuals:

Jack D. Brown, Jr.	Director/President
Donald E. Courtney	Chairman of the Board of Directors/Secretary
Jim N. Weinberg	Director/Vice President Treasurer
Vincent A. Rego	Director
George V. Chesteen	Director

ITEM 6. Exhibits and Reports on Form 8-K

(a) The Company filed a Form 8-K on October 29, 1991 reflecting that Mr. Joseph A. Agosta, Director and Treasurer, independently declined to stand for re-election to the Board of Directors of MagneTech Corporation as of the annual meeting of shareholders dated October 28, 1991, due to his desire to pursue different career opportunities effective approximately January 1, 1992.

(b) On November 19, 1991, the Company filed a Form 8-K reflecting that 800,651 shares of common stock currently held in escrow by S.O.I Industries, Inc., the Parent Company to MagneTech Corporation, would be returned to MagneTech. The MagneTech Shares were returned and cancelled effective October 29, 1991. The number of total outstanding shares of common stock was reduced from 30,067,546 to 29,266,895.

ITEM 6. Exhibits and Reports on Form 8-K (Cont.)

(c) On March 31, 1992, MagneTech Corporation purchased a building in Newtown Commerce Center, Davie, Florida for $398,000. MagneTech Corporation intends to use the additional facility for expansion of its tape duplication facilities and to increase administrative offices.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MAGNETECH CORPORATION

Date 5/13/92

Sanford M. Whitman
Chief Financial Officer